

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE
BULLETIN 92-11

Issued this 29th day of
December, 1992

TO: ALL LICENSED ACCIDENT AND HEALTH INSURANCE COMPANIES

RE: Small Employer Insurance Reform-Minnesota Care Law (HealthRight Law, H.F. 2800, Chapter 549, Laws of 1992)

IMMEDIATE ACTION MAY BE REQUIRED

This bulletin is a reminder of certain affirmative acts that are required by the State of Minnesota Health Right Law's Small Employer Insurance Reform provisions which will become effective July 1, 1993.

Health carriers are reminded of the following:

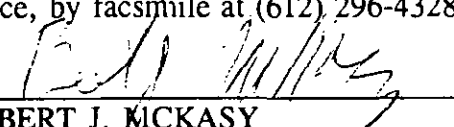
- Notice to the Commissioner
 - Health carriers electing to cease doing business in the small employer market shall notify the commissioner 180 days prior to the effective date of the cessation (Minn. Stat. § 62L.09).
 - Application for nonparticipation in the Reinsurance Association must be filed with the commissioner no later than February 1, 1993.
- An association electing to be considered a small employer would bring the health carrier into the small employer market (Minn. Stat. § 62L.02, subd. 26) if the health carrier issues or renews a health benefit plan to that association after July 1, 1993 (Minn. Stat. § 62L.02, subd. 27).
- With respect to small employers who have been issued individual coverage prior to July 1, 1993, on the first renewal date occurring after July 1, 1994, health carriers must offer and make available any health benefit plan that they offer, including both of the small employer plans, to the small employer on a group basis. They cannot continue to issue the coverage on an individual basis after July 1, 1993.

Health carriers electing to cease doing business in the small employer market must provide 120 days' written notice to each small employer.

Any health carrier in the small employer market must comply with all its requirements including mandatory coverage of any small business who applies to that carrier.

To comply with these notice and election requirements each company should immediately analyze their future plans relative to the small employer and individual health markets so they can comply with all required notices and not inadvertently elect to be in or out of those markets.

If you have any questions, please call or write John Gross (612) 296-6929. You may send your inquiry to Mr. Gross, Director of Minnesota Care Compliance, by facsimile at (612) 296-4328.


BERT J. MICKASY
Commissioner of Commerce